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NEW YORK TIMES 23 MAY 1982

Possible Cover-Up to Shield Nazis Is Focus of Renewed U.S. Inquiry

By RALPH BLUMENTHAL

Confronted with evidence that key files were tampered with, the Government has reopened investigations into a possible cover-up involving suspected Nazi war criminals living in America.

The investigations are being conducted by the Justice Department and the General Accounting Office. They concern allegations of a conspiracy to protect former Nazis and collaborators who may have been smuggled into the United States by American intelligence agencies for cold war operations against the Russians.

Charges that the American authorities mishandled investigations of war criminals date back at least 10 years. But the G.A.O. concluded in 1978 that it could find no evidence of a conspiracy to impede the inquiries. Nearly 200 cases remain under investigation by a unit of the Justice Department, the Office of Special Investigations.

Documents Under Review

Congressional investigators are also reviewing new information provided by a former presecutor in that office, including long-secret military documents setting forth links that American intelligence agencies had with Nazis and their East European collaborators.

Episodes described in the documentsand other information collected by the former prosecutor, John Loftus, include these cases:

gAn Army officer working in intelligence after World War II acknowledged allowing some Wazi collaborators to falsify their applications for American visas in exchange for providing intelligence information.

GSome former Nazis entered the United States through lightly patrolled Canadian and Mexican border crossings while others were routed through Argentina and other cooperative Latin American countries.

90ther former Nazis arrived on cargo planes, after being listed on the waybills as freight.

gone collaborator accused of killings was identified and barred from emigrating to America on five separate occasions by American counterintelli-

gence agents. Yet with the help of other agents, he finally gained entry to this country.

Mr. Loftus first made public on the CBS News program "60 Minutes" last Sunday his charges that hundreds of Nazi collaborators were illegally brought into the country after World War II to form an anti-Soviet spy army. Masterminding the efforts, he said, was a highly secret covert operations agency close to the State Department called the Office of Policy Coordination.

Mr. Loftus, who has written a book about his findings as a war crimes investigator, provided a draft of the book and documents to Representative Barney Frank, a Massachusetts Democrat on the Immigration Subcommittee of the House Judiciary Committee. The book is tentatively scheduled for publication later this year.

Mr. Loftus is now himself the subject of Justice Department inquiries into his disclosure of possibly confidential material, according to a department official. Mr. Loftus, now in private law practice in Boston, denied releasing any material not properly cleared by intelligence authorities.

'Just Provided Records'

"I just provided Congress records they were supposed to get four years ago," he said.

In the reopened Government investigations, the Justice Department announced last week that its criminal division was looking into the removal, apparently by the Defense Department, of certain intelligence information from at least two files in military archives.

The files were checked by the General Accounting Office, an investigative arm of Congress, as part of its conspiracy inquiry from early 1977 to May 1978. They dealt with two Byelorussian émigrés under Justice Department investigation for atrocities in the Nazi-occupied region of western Russia. The two, Emmanuel Jasiuk and Franz Kuchel, have since died.

The tampering was discovered a year later by Mr. Loftus, who found material that the accounting office later said it had never seen. Mr. Loftus also found a note in one of the files: "Do not disclose to G.A.O. until notified to do so." The note was signed only "General Counsel" and the Justice investigation is aimed at learning where the directive originated. One Justice Department official said the Defense Department was queried months ago but had been slow.

Denials From Two Departments

Both the Justice and State Departments denied last week that they had attempted to impede any investigation.

The accounting office, basing its finding only on material it had been shown, concluded in May 1978 that no "wide-spread conspiracy" existed to frustrate investigations of people suspected of being war criminals. But it found that nine suspected war criminals had worked for and been paid by the Central Intelligence Agency or the State or Defense Departments.

After the disclosure last week that the files had been tampered with, Representative Peter W. Rodino Jr., chairman of the House Judiciary Committee, called on the accounting office to reopen its investigation and the office complied.

"It looks like we were misled," said John Tipton, the accounting office's senior evaluator who also headed the 1978 investigation. The withholding of the material from him last time, he said, "would lead to the fact that there might be a conspiracy, yes."

'Started Making Our Contacts'

Meanwhile, he said, "We've already started making our contacts" for the reopened inquiry. He called the task "pretty big — big as hell" but said he had no idea yet how long it might take.

To the annoyance of the House limigration Subcommittee, the 1977-78 investigation took 14 months, about half of which, Mr. Tipton said, was consumed in gaining access to the intelligence files. This time, he said, a new statute provides that access to files can be barred only on the ground of national security by Presidential decree.

The flurry of new investigations comes about a decade after a series of disclosures raised questions about suspected war criminals in America and the effectiveness of investigations by the Immigration and Naturalization Service. After Congressional hearings principally instigated by former Representative Elizabeth Holtzman, now the Brooklyn District Attorney, the Office of Special Investigations was created in 1979 to centralize the cases.

According to Alan Ryan Jr., director of the office, his staff is currently investigating 197 people suspected of being war criminals to determine if they lied about their past to gain entry to the country or win citizenship. A total of 548 cases have been investigated through April and charges have been brought against 26 people. Seven of those are facing deportation and four others facing action died. No one has yet been deported.

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